



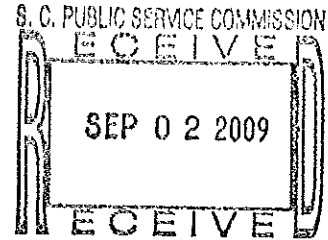
**Progress Energy**

Posted: DDW  
Dept: 8A  
Date: 9.3.09  
Time: 10:00

218906

August 31, 2009

Mr. Charles L.A. Terreni  
Chief Clerk/Administrator  
South Carolina Public Service Commission  
101 Executive Center Dr., Suite 100  
Columbia, South Carolina 29210



Dear Mr. Terreni:

In compliance with the Public Service Commission's Order No. 18,100 in Docket No. 17,134 dated January 15, 1975; a request from the Executive Director dated September 30, 1987; Order Nos. 88-864 and 88-971 in Docket No. 88-11-E; and the officer verification certification enacted by the Commission on December 17, 2002, Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc. submits the following information per its books and as adjusted for the 12-month period ending June 30, 2009:

1. Officer verification certificate
2. System Rate of Return on Rate Base - Exhibit A1
3. South Carolina Rate of Return on Rate Base - Exhibit A2
4. Return on Common Equity (Allocated to South Carolina Retail) - Exhibit B
5. Earnings Per Share on Progress Energy's Common Stock - \$2.85
6. Debt Coverage Ratio or Earnings to Fixed Charges - 4.63 times

The allocations and adjustments required to determine the information requested in the Commission's orders and request are in general accordance with the allocation methodology described by the Commission in our most recent general rate case (Docket No. 88-11-E, Order No. 88-864). The level of detail encompassed in this report is not sufficient for ratemaking purposes.

*fw* Attached is a copy of this report, which I request that you stamp and return to me. If you have any questions or concerns, please call me at 919-546-2559.

Sincerely,

*M. Scott Foster*

M. Scott Foster  
Manager - PEC Regulatory & Property Accounting  
Progress Energy Service Company

RECEIVED

SEP 03 2009

PSC SC  
DOCKETING DEPT.

c: John Flitter

Enclosure

CERTIFICATION

(Certification must be signed by the Chief Financial Officer)

I, Mark F. Mulhern, state and attest, under penalty of perjury, that the attached quarterly financial report is filed on behalf of Progress Energy Carolinas, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

The information in this filing is subject to and should be read in conjunction with all filings made by Progress Energy, Inc. with the SEC that contain information related to Progress Energy, Inc.'s and/or Progress Energy Carolinas, Inc.'s 2009 financial results, copies of which can be obtained at <http://www.sec.gov/edgar>.

Mark F. Mulhern

Mark F. Mulhern  
Chief Financial Officer  
Progress Energy, Inc.

8/27/09

Date Signed

Subscribed and Sworn to before me this 27<sup>th</sup> day of August, 2009.

Peggy Helton

Notary Public

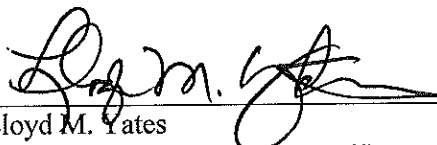
My Commission Expires: June 25, 2011

# CERTIFICATION

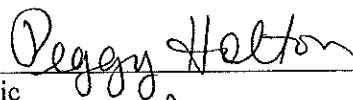
(Certification must be signed by the Chief Executive Officer)

I, Lloyd M. Yates, state and attest, under penalty of perjury, that the attached quarterly financial report is filed on behalf of Progress Energy Carolinas, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

The information in this filing is subject to and should be read in conjunction with all filings made by Progress Energy, Inc. with the SEC that contain information related to Progress Energy, Inc.'s and/or Progress Energy Carolinas, Inc.'s 2009 financial results, copies of which can be obtained at <http://www.sec.gov/edgar>.

  
\_\_\_\_\_  
Lloyd M. Yates  
President & Chief Executive Officer  
Progress Energy Carolinas, Inc.  
  
8/27/09  
\_\_\_\_\_  
Date Signed

Subscribed and Sworn to before me this 27<sup>th</sup> day of August, 2009.

  
\_\_\_\_\_  
Notary Public  
My Commission Expires: June 25, 2011

PROGRESS ENERGY CAROLINAS  
SC QUARTERLY REPORT  
PER BOOKS AND ADJUSTED COS STUDY  
FOR THE TEST YEAR ENDED JUNE 30, 2009

SYSTEM TOTAL - ELECTRIC OPERATIONS			
DESCRIPTION	TOTAL PER BOOKS	ADJUSTMENTS	TOTAL WITH ADJUSTMENTS
(1)	(2)	(3)	(4)
	\$	\$	\$
NET OPERATING REVENUE	4,570,582,868	(132,046,715)	4,438,536,153
OPERATING EXPENSE:			
NET O&M EXPENSES	2,897,695,417	(78,227,710)	2,819,467,707
DEPRECIATION	486,640,230	7,540,824	494,181,054
TAXES (OTHER THAN INCOME)	203,931,312	2,841,324	206,772,636
INCOME TAX - STATE	11,303,057	9,746,500	21,049,557
INCOME TAX - FEDERAL	106,055,168	44,930,236	150,985,404
PROV. FOR DEFERRED TAXES	206,387,325	(126,164,172)	80,223,153
INVESTMENT TAX CREDIT	(5,733,012)	-	(5,733,012)
TOTAL OPERATING EXPENSE	3,906,279,497	(139,332,998)	3,766,946,499
INCOME FOR RETURN:			
OPERATING INCOME	664,303,371	7,286,283	671,589,654
CUSTOMER GROWTH	3,248,536	35,631	3,284,167
INTEREST ON CUST. DEPOSITS	(4,990,770)	-	(4,990,770)
HARRIS DEFERRAL AMORT.	-	-	-
TOTAL INCOME FOR RETURN	662,561,137	7,321,914	669,883,051
RATE BASE:			
PLANT IN SERVICE:			
ELECTRIC PLANT IN SERVICE	16,099,378,281	57,071,247	16,156,449,528
PLANT HELD FOR FUTURE USE	2,600,833	-	2,600,833
RESERVE FOR DEPRECIATION	(8,469,974,699)	(9,745,564)	(8,479,720,263)
NET PLANT IN SERVICE	7,632,004,415	47,325,683	7,679,330,098
NUCLEAR FUEL INVENTORY	351,075,304	-	351,075,304
DEFERRED TAXES - LIB. DEPR.	(1,212,838,000)	178,279,266	(1,034,558,734)
REGULATORY ASSETS	630,978,457	(80,294,133)	550,684,324
WORKING CAPITAL:			
MATERIALS & SUPPLIES	932,335,004	(272,887,416)	659,447,588
CASH WORKING CAPITAL	424,448,869	-	424,448,869
UNCLAIMED REFUNDS	(24,694)	-	(24,694)
PREPAYMENTS	1,635,836	-	1,635,836
TAX ACCRUALS	(25,173,018)	-	(25,173,018)
CUSTOMER DEPOSITS	(89,831,408)	-	(89,831,408)
OPERATING RESERVES	(881,406,067)	-	(881,406,067)
CUSTOMER ADVANCES FOR CONSTR.	(20,243,027)	-	(20,243,027)
UNAMORTIZED PROJECTS	-	-	-
TOTAL WORKING CAPITAL	341,741,495	(272,887,416)	68,854,079
TOTAL RATE BASE	7,742,961,671	(127,576,600)	7,615,385,071
RATE OF RETURN (%)	8.56		8.80

PROGRESS ENERGY CAROLINAS  
SC QUARTERLY REPORT  
PER BOOKS AND ADJUSTED COS STUDY  
FOR THE TEST YEAR ENDED JUNE 30, 2009

S.C. RETAIL TOTAL - ELECTRIC OPERATIONS			
DESCRIPTION	TOTAL PER BOOKS	ADJUSTMENTS	TOTAL WITH ADJUSTMENTS
(1)	(2)	(3)	(4)
	\$	\$	\$
NET OPERATING REVENUE	545,371,756	(9,281,053)	536,090,703
OPERATING EXPENSE:			
NET O&M EXPENSES	433,017,308	(21,836,057)	411,181,251
DEPRECIATION	65,248,042	833,077	66,081,119
TAXES (OTHER THAN INCOME)	14,299,868	14,216	14,314,084
INCOME TAX - STATE	(126,599)	2,699,005	2,572,406
INCOME TAX - FEDERAL	(20,156,402)	10,411,599	(9,744,803)
PROV. FOR DEFERRED TAXES	11,562,822	(4,194,365)	7,368,457
INVESTMENT TAX CREDIT	(818,521)	-	(818,521)
TOTAL OPERATING EXPENSE	503,026,518	(12,072,525)	490,953,992
INCOME FOR RETURN:			
OPERATING INCOME	42,345,238	2,791,472	45,136,711
CUSTOMER GROWTH	11,999	791	12,790
INTEREST ON CUST. DEPOSITS	(436,203)	-	(436,203)
HARRIS DEFERRAL AMORT.	-	-	-
TOTAL INCOME FOR RETURN	41,921,034	2,792,263	44,713,298
RATE BASE:			
PLANT IN SERVICE:			
ELECTRIC PLANT IN SERVICE	2,319,014,717	8,220,021	2,327,234,738
PLANT HELD FOR FUTURE USE	374,600	-	374,600
RESERVE FOR DEPRECIATION	(1,207,023,152)	(1,379,781)	(1,208,402,933)
NET PLANT IN SERVICE	1,112,366,165	6,840,240	1,119,206,405
NUCLEAR FUEL INVENTORY	50,642,419	-	50,642,419
DEFERRED TAXES - LIB. DEPR.	(191,960,497)	13,951,803	(178,008,694)
REGULATORY ASSETS	92,061,257	(11,564,833)	80,496,424
WORKING CAPITAL:			
MATERIALS & SUPPLIES	106,732,265	(9,873,302)	96,858,963
CASH WORKING CAPITAL	62,467,495	-	62,467,495
UNCLAIMED REFUNDS	(24,221)	-	(24,221)
PREPAYMENTS	267,703	-	267,703
TAX ACCRUALS	(3,060,067)	-	(3,060,067)
CUSTOMER DEPOSITS	(14,749,440)	-	(14,749,440)
OPERATING RESERVES	(125,626,406)	-	(125,626,406)
CUSTOMER ADVANCES FOR CONSTR.	(2,695,331)	-	(2,695,331)
UNAMORTIZED PROJECTS	-	-	-
TOTAL WORKING CAPITAL	23,311,998	(9,873,302)	13,438,696
TOTAL RATE BASE	1,086,421,342	(646,093)	1,085,775,249
RATE OF RETURN (%)	3.86		4.12

PROGRESS ENERGY CAROLINAS  
S.C. QUARTERLY REPORT  
S.C. RETAIL - RETURN ON COMMON EQUITY  
FOR THE TEST YEAR ENDED JUNE 30, 2009

**"PER BOOKS"**

DESCRIPTION	TOTAL COMPANY CAPITALIZATION		S.C. RETAIL RATE BASE	RATE EARNED	NET OPERATING INCOME
	AMOUNT \$	RATIO %			
(1)	(2)	(3)	(4)	(5)	(6)
LONG-TERM DEBT	3,686,945,114	43.93%	477,264,896	5.35%	25,533,672
PREFERRED STOCK	59,333,982	0.71%	7,713,592	5.62%	433,504
COMMON EQUITY	4,645,576,318	55.36%	601,442,855	2.65%	15,953,858
TOTAL CAPITALIZATION	8,391,855,414	100.00%	1,086,421,342		41,921,034

**"ADJUSTED"**

DESCRIPTION	TOTAL COMPANY CAPITALIZATION		S.C. RETAIL RATE BASE	RATE EARNED	NET OPERATING INCOME
	AMOUNT \$	RATIO %			
(1)	(2)	(3)	(4)	(5)	(6)
LONG-TERM DEBT	3,655,634,954	45.87%	498,045,107	5.35%	26,645,413
PREFERRED STOCK	59,333,982	0.74%	8,034,737	5.62%	451,552
COMMON EQUITY	4,255,251,596	53.39%	579,695,405	3.04%	17,616,332
TOTAL CAPITALIZATION	7,970,220,532	100.00%	1,085,775,249		44,713,298